

**APPENDIX E**  
**to the**  
**Wisconsin Works (W-2) and Related Programs Contract**  
**for the period January 1, 2002 through December 31, 2003**  
**between**  
**the State of Wisconsin Department of Workforce Development**  
**and**  
**«Field1»**

**PERFORMANCE STANDARDS FOR THE 2002-2003 W-2 AND RELATED PROGRAMS CONTRACT**

The Performance Standards have been established to measure appropriate and quality services being provided to W-2 and FSET participants. Performance Standards are organized by required criteria, optional criteria, and criteria used for information only.

This chart shows the required Performance Standards for:

1. Base Contract compliance (in addition to the other standards included in the Department's policies);
2. Right of First Selection for the next W-2 Contract (Contract Period 2004-2005). (Requirements for Right of First Selection shall be the same as meeting Base Contract Compliance benchmarks for all criteria.) (Note: Right of First Selection status under this provision may be lost under section 16.2 of the Contract.)
3. Restricted Use Performance Bonus (Community Reinvestment); and
4. Unrestricted Use Performance Bonus.

Information will be measured for the period of January 1, 2002 through December 31, 2003. (Right of First Selection will be measured for the period January 1, 2002 through December 31, 2002.) Performance Standards are measured Contract-to-Date or Point-in-Time. Those designated as Contract-to-Date are cumulative beginning January 1, 2002 through the last working day of the report month. Those designated as Point-in-Time are measured on the last working day of each calendar month and an average for all months will be calculated to determine if the criteria have been met. **Note:** For a new W-2 agency, the first quarter will be excluded from each calculation to reflect agency start-up and transition if the W-2 agency requests the exclusion of the first quarter data by notifying the Department in writing by 12/27/02 to request this exclusion.

**One Case Credit**

In order to recognize that in agencies, especially those with small caseloads, one case can make a significant difference in the calculation of the Performance Standards benchmarks, a One Case Credit is established.

A One Case Credit will apply when:

- a) The Department makes the final determination of whether a W-2 agency meets a benchmark level for a Performance Standard criteria;

#### Performance Standards (continued)

- b) The W-2 agency does not meet a Benchmark for one or more of the following criteria: Entered Employment Placement Rate; Job Retention Rates; Full and Appropriate Engagement; Basic Educational Activity; Earnings Gain; Educational Activities Attainment.
- c) At least one of the W-2 agency's cases does not meet one or more of the benchmarks for the criteria in b) above; and
- d) The W-2 agency would meet a Benchmark for a criteria listed in b) above if one case that did not meet the criteria was instead considered by the Department to meet the criteria.

The One Case Credit will be applied only once per agency per criteria listed in b) above. The application of the One Case Credit will result in the W-2 agency meeting the Base Contract Compliance Benchmark or the next Benchmark beyond the Benchmark that the W-2 agency would otherwise meet without the application of the One Case Credit. Example: A W-2 agency meets the Base Contract Compliance Benchmark for Entered Employment Placement Rate but does not meet the Restricted Use Performance Bonus (Community Reinvestment) benchmark or the Unrestricted Use Performance Bonus Benchmark. Application of the One Case Credit would allow the agency to meet the Restricted Use Performance Bonus (Community Reinvestment) benchmark but not the Unrestricted Use Performance Bonus Benchmark.

#### **Zero Case Credit**

The Department will apply a special Zero Case Credit to any W-2 agency with no cases for a Performance Standard (if there are any W-2 agencies with zero cases at the time of the Department's Performance Standards calculations). The Zero Case Credit will result in any W-2 agency with no cases meeting the Base Contract Compliance Benchmark and Right of First Selection (RFS) Benchmark, but not meeting the Restricted Use Performance Bonus Benchmark and Unrestricted Use Performance Bonus Benchmark. In order to be eligible for a Restricted Use Performance Bonus (Community Reinvestment) or an Unrestricted Use Performance Performance Bonus, the W-2 agency must have at least one case for the Performance Standard.

#### **Worker Error Adjustment**

The Worker Error Adjustment process outlined in BWSP Operations Memo 00-72, which was developed to address unusual or non-recurring events, will remain in effect for the 2002-2003 Contract Period. To request consideration, a W-2 agency must submit a written request in accordance with the Department's Policies and Procedures.

#### **Risk Protection Adjustment**

At the request of a W-2 agency that is not a tribal agency the Department will reassess the Performance Standards benchmark when the county's average unemployment percentage rate for the most recent three (3) months period is at least 6.5% and at least equal to 110% of the county's unemployment rate for the corresponding three (3) months period in either of the two (2) preceding calendar years. At the request of a tribal W-2 agency, the Department will reassess the contract benchmark if the tribal government documents the following: a tribally operated enterprise employing at least 10% of the tribal workforce has closed for at least a three (3) month period; or there has been at least a 10% reduction in the tribe's per capita payment for the most recent three (3) month period, compared to the corresponding three (3) month period in either of the two (2) preceding calendar years.

## Performance Standards (continued)

The Risk Protection Adjustment is designed to allow unique circumstances related to unemployment of each rate agency to be considered by the Department. Use of this adjustment in the 2002-2003 Contract Period will take the place of the regression analysis model identified in the 2000-2001 W-2 Contract, as the Risk Protection Adjustment accounts for local labor market conditions and unemployment rates. The Department will apply this adjustment as follows:

The unemployment rate for the county is converted into an employment rate by subtracting the unemployment rate from 100. For each Performance Standard to which the Risk Protection Adjustment applies, the benchmark is multiplied by the agency's unemployment rate and is then divided by 93.5.

Example:

County average unemployment rate is 12%

Employment rate = 88 (100-12)

Entered Employment Placement Rate standard would be adjusted as follows:

$$\frac{35 \text{ (Benchmark)}}{93.5} = \frac{x}{88}$$

x = 32.94%, the new Benchmark level

**Performance Standards – Required Criteria**

<b>Performance Expectation</b>	<b>Indicator</b>	<b>Benchmark</b>	<b>Base Contract Compliance</b>	<b>RFS for future W-2 Contract</b>	<b>Restricted Use Performance Bonus (Community Reinvestment)</b>	<b>Unrestricted Use Performance Bonus</b>
Meet Priority Outcomes for Participants	Entered Employment Placement Rate (Contract-to-Date)	For W-2 and FSET Participants: A percentage of the total participants served by the agency have an Entered Employment placement reported. For the Base Contract Compliance and RFS for future contract measures, this criteria applies to all full and part time jobs lasting 30 days or more, as reported for participants in FSET and W-2 participants in subsidized employment (W-2T, CSJ, and Trial Jobs) and case management positions. For Restricted Use Performance Bonus and Unrestricted Use Performance Bonus, the measurement will be for full time jobs lasting 30 days or more.	35%  Applies to both full and part-time jobs.	35%  Applies to both full and part-time jobs	35%  Applies to full-time jobs	40%  Applies to full-time jobs
	Job Retention Rates: (Contract-to-Date)	For W-2 and FSET Participants: The Job Retention Rate is calculated for each of the following: a) The percentage of participants with a 30-Day Follow-Through Contact Due that remain employed at the 30-Day Follow-Through Contact; and b) The percentage of participants with a 180-Day Follow-Through Contact Due that remain employed at the 180-Day Follow-Through Contact. This criteria applies to participants in FSET and W-2 subsidized and case management positions for whom an Entered Employment transaction was reported for full or part time jobs lasting 30 days or more. The participant may be employed with the same or different employer at the 30 <sup>th</sup> or 180 <sup>th</sup> day after the Entered Employment is recorded. Both a. and b. must be met.	a. 75% b. 50%	a. 75% b. 50%	a. 80% b. 55%	a. 85% b. 60%

<b>Performance Expectation</b>	<b>Indicator</b>	<b>Benchmark</b>	<b>Base Contract Compliance</b>	<b>RFS for future W-2 Contract</b>	<b>Restricted Use Performance Bonus (Community Reinvestment)</b>	<b>Unrestricted Use Performance Bonus</b>
	Full and Appropriate Engagement (Point-in-Time)	<p>a) For W-2 and FSET Participants: The adult participants in FSET and W-2 subsidized employment positions are engaged in appropriate activities for the required number of hours and have a current, printed Employability Plan.</p> <p>b) For W-2 Only: Special Requirement for W-2 Extension Cases: Included in the number of hours of activities, W-2 participants in Extension must have one or more of the following activities assigned: AODA Assessment, AODA Counseling, Disability Assessment, Mental Health Assessment, Mental Health Counseling, SS(D)I Advocacy/ Application, Physical Rehabilitation, Domestic Violence Services, Personal Care.</p> <p>Both a. and b. must be met.</p>	80%	80%	85%	90%
	Basic Education Activities (BEA) (Point-in-Time)	For W-2 Participants only: Adults in W-2 subsidized employment positions who are not designated as high school graduates on CARES (ANSE screen), are assigned to appropriate educational and training activities which include GED (GE), HSED (HS), adult basic education (BE), literacy skills (LS), English as a Second Language (ES), regular high school (RS), and job skills training (JS).	80%	80%	85%	90%
	Educational Activities Attainment (Contract-to-Date)	For W-2 Participants Only: W-2 participants who enter and complete an educational activity, job skills training, or technical college activity. A participant is counted once during the two-year contract period, regardless of the number of times the participant entered and completed any one or more of the following activities: GED (GE), HSED (HS), adult basic education	35%	35%	40%	45%

Performance Expectation	Indicator	Benchmark	Base Contract Compliance	RFS for future W-2 Contract	Restricted Use Performance Bonus (Community Reinvestment)	Unrestricted Use Performance Bonus
		(BE), literacy skills (LS), English as a Second Language (ES), regular high school (RS), job skills training (JS), and Technical College (TC).				
	Earnings Gain (Contract-to-Date)	For W-2 Participants Only: W-2 participant earnings are compared at one point in time with earnings at a later point in time during program participation. The start and end dates of a CMU (case management for unsubsidized employment) or CMF (case management follow-up) placement will be used to determine the time period. Increased hours as well as increased hourly wage rate are included.	50% with any earning gain	50% with any earning gain	50% with average monthly gain of \$50	50% with average monthly gain of \$100
Deliver high quality and effective case management services	FEP to caseload ratio (Point-in-Time – each month averaged to determine the quarter results)	For each quarter of the contract period, no FEP may have a caseload of more than fifty-five (55) W-2 payment cases. A FEP caseload may not exceed one hundred twenty-five (125) total cases (including FSET, non-custodial parent, and case management only cases, in addition to W-2 payment cases. Each W-2 agency has the option to submit (as a part of their RFS Re-contracting response or RFP response) an alternative measure for approval by the Department that is equivalent to the 55 to 1 ratio. For example, if an agency had a specialty FEP who was bilingual, that FEP may have a caseload of fewer than 55 payment cases, and another FEP would have a caseload of greater than 55 cases; however, those cases would have fewer barriers or special needs. Merely averaging the number of all FEPs across the entire caseload is not acceptable as an alternative measure. Vacant positions cannot be included in the calculation. In order to	Meets requirement for all 8 quarters	Meets requirement for first 4 quarters	N/A	N/A

Performance Expectation	Indicator	Benchmark	Base Contract Compliance	RFS for future W-2 Contract	Restricted Use Performance Bonus (Community Reinvestment)	Unrestricted Use Performance Bonus
		address routine turnover, each agency may have a 5% variance per quarter.				
	W-2 agency staff meet training requirements Point-in-Time, December only)	The percentage of the W-2 agency staff * must have been determined by the Department to be in compliance with training requirements (completed all required training in accordance with the Department's policies by the end of December of each year of the contract or been granted an extension by the Department). The standard is less than 100 percent to take into account factors such as class cancellation. *Subcontractor staff who perform the job responsibilities of the W-2 agency staff, such as FEP case management, also must meet this standard.	90%	90%	95%	100%
	Assessment for Appropriate W-2 Placement and Extension (Point-in-Time)	<p>For W-2 Participants Only:</p> <p>A percentage of the W-2 participants who are placed in unsubsidized or subsidized employment placements must receive assessment services as described below:</p> <p>a) Participants who are placed in a W-2 placement (either initially or as movement from one placement to another) must have an assessment initiated and documented in CARES within thirty (30) calendar days from the date of placement in the placement. The assessment can either be a formal or informal assessment as defined in the W-2 Manual and based on the W-2 policy requirements for the type of case.</p> <p>Comment: An informal assessment must be done prior to or concurrent with the initial placement.</p> <p>b) Participants who placed in W-2 Transition (W-2T) must have a formal assessment initiated and documented in CARES within</p>	<p>a. At least 80%</p> <p>b. At least 80%</p>	<p>a. At least 80%</p> <p>b. At least 80%</p>	<p>a. At least 85%</p> <p>b. At least 85%</p>	<p>a. At least 90%</p> <p>b. At least 90%</p>

Performance Expectation	Indicator	Benchmark	Base Contract Compliance	RFS for future W-2 Contract	Restricted Use Performance Bonus (Community Reinvestment)	Unrestricted Use Performance Bonus
		thirty (30) calendar days of placement into W-2T. This formal assessment must be by a medical or mental health professional, Division of Vocational Rehabilitation (DVR) counselor or similar qualified assessing agency or business Both a. and b. must be met.				
	Timely and complete processing of 24 and 60-month extension requests (Contract-to-Date)	For W-2 Participants Only: a) On a cumulative basis, the percentage of the extension requests submitted by the W-2 agency to DWD must meet the timeliness policies for extension requests. This includes submittal of complete documentation based on the 24 and 60-month checklists and forwarded timely to the Department in accordance with the Department's policies. b) Extension information, including extension denials by the W-2 Agency or DWD as well as extension approvals, must be entered into CARES timely. Timely CARES documentation is described in policy and includes proper notification to the participant of extension decisions. Both a. and b. must be met.	a. At least 85%  b. At least 95%	a. At least 85%  b. At least 95%	N/A	N/A
Deliver Services that Meet Customer Expectations	W-2 Agency service meets or exceeds expectations for consumer satisfaction (Contract-to-Date)	Agencies must achieve an average score on each item of 6.5 or greater on a 10-point scale on each of the following 10 items: <ul style="list-style-type: none"> <li>Staff clearly explained what programs and services were available</li> <li>Staff treated participants with respect</li> <li>Staff was helpful</li> <li>Staff assisted in transportation, if needed</li> <li>Staff assisted in child care, if needed</li> </ul>	Average score on each item must be 6.5 or greater.	Average score on each item must be 6.5 or greater.	N/A	This Performance Bonus will be proportionately allocated to the agencies having the 10 highest cumulative scores. This proportionate allocation will



Performance Expectation	Indicator	Benchmark	Base Contract Compliance	RFS for future W-2 Contract	Restricted Use Performance Bonus (Community Reinvestment)	Unrestricted Use Performance Bonus
		<ul style="list-style-type: none"> <li>Staff returned phone calls within two business days</li> <li>Agency was open when participants could come in</li> <li>Staff set up after office hours, if needed</li> <li>Participants felt comfortable going to the agency</li> <li>Participants were satisfied, overall, with service</li> </ul>				be an amount that is up to 200% of the amount that would be the agency's share based on proportionate allocation to W-2 agencies using the proportions in the W-2 Base Allocation chart.
Agency Accountability	Financial Management (Contract-to-Date)	W-2 agency must meet the Department's requirements for audits (agency has no significant audit finding as determined by the Department in its Single Agency Audit or any audit conducted by the Department or Legislative Audit Bureau).	Must meet	Must meet	N/A	N/A
	Contract Compliance (Contract-to-Date)	W-2 agency must meet the Department's contract compliance requirements (agency is not and has not been subject to a Corrective Action Plan for substantial non-compliance as determined by the Department, under the 2002-2003 W-2 Contract).	Must meet	Must meet	N/A	N/A

### PERFORMANCE STANDARDS – OPTIONAL CRITERIA

Faith-Based Contracts: There is a valid contract or memorandum of understanding between the W-2 agency and a faith-based provider (as defined in section 54 of the Contract) to provide direct services, (e.g., transportation, basic skills training) to W-2 participants* under the W-2 Contract. Services must be provided under the contract. One or more contract(s) must be signed and in effect for seven of the eight quarters of the W-2 Contract Period. The contract(s) does not need to be with the same provider(s) for the entire W-2 Contract Period.	Copy of the signed contract(s) submitted to the Department's Contract Manager and documentation of services being provided.	Valid Contract and service provision
SSI Advocacy: There is a valid contract or memorandum of understanding between the W-2 agency and a SSI advocacy agency or the W-2 agency has a trained SSI advocate on staff. DWD will define SSI Advocacy service requirements in policy.	Signed contract with service provision or documentation of staff effort submitted to the Department's Contract Manager.	Valid Contract and service provision
Available Employer Health Insurance Benefits	Employer health insurance benefit is available with the first 180 days of employment as identified in CARES on the Entered Employment transaction.	50% of the Entered Employments reported have Available Employer Health Insurance

In the calculation of the Unrestricted Use Performance Bonus, a W-2 agency may request the use of one of the above optional criteria as a substitution for the Unrestricted Use Performance Bonus for one of the six (6) required Meet Priority Outcomes for Participants Performance Standards. A maximum of one substitution may be requested by the W-2 agency.

### PERFORMANCE STANDARDS – FOR INFORMATION ONLY

Indicator	Measurement
Average Wage at Placement	The average wage rate attained during the contract period as compared to the average wage rate attained during calendar year 2000 for the agency's FSET and W-2 population.
Addressing Barriers	This measures the percentage of participants in one of following W-2 components: Physical Rehabilitation, AODA Assessment, AODA Counseling, Mental Health Assessment, Mental Health Counseling, SSI advocacy, Caring for a Disabled Family Member, Caring for a Disabled Child, and Domestic Violence Services. This is not meant to emphasize barriers but rather to measure activities that are designed to reduce or deal with barriers.
Expanded Caseload: Emphasizes serving broader population of working poor.	This measures the levels of work program participants in Children First (CF), Welfare to Work (WtW), and Workforce Attachment and Advancement (WAA).
In Work Supports (EITC, CC, MA, FS, Child Support)	This measures levels of in-work supports.
Moving Out of Poverty Indicator	This measures earnings using UI wage data for W-2, FSET, CF, WAA, WtW and other work program participants. It will be measured during and after program participation.
Recidivism Rates	This measures the percentage of new W-2 participants receiving cash payments who previously received W-2 cash and had an interlude of at least two (2) months without receiving cash payments.
18 and 19 Year Olds in School	Activities and Employment